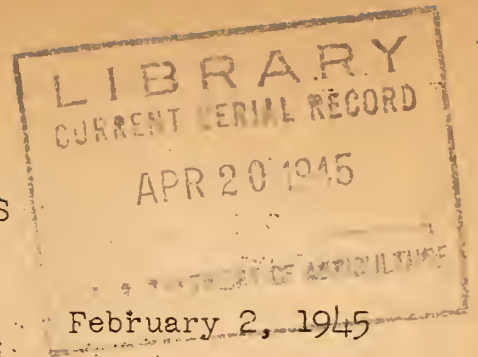


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WAR FOOD ADMINISTRATION
OFFICE OF MARKETING SERVICES
Washington 25, D. C.

FRUIT AND VEGETABLE BRANCH
ADMINISTRATIVE LETTER NO. 23

OFFICE OF THE CHIEF

February 2, 1945

NOTES:

Mr. Meyer addressed the Canadian Fruit Wholesalers' Association at Quebec on January 31. He returned to Washington February 1.

Mr. D. F. McMille, in charge of the Fruit Marketing Division, has returned to Washington after several days' absence on the Pacific Coast.

Paul M. Williams, Assistant Chief

ADMINISTRATIVE SERVICES SECTION

TRANSPORTATION REQUESTS

The Acting Chief Fiscal Officer has called our attention to the fact that in order to prevent unnecessary delay in paying the railroads for transportation services furnished, it will be necessary that transportation requests bear proper billing instructions. Prior to January 1, 1945, all travelers have been issuing transportation requests showing billing instructions as the Office of Distribution. Subsequent to January 1, these travelers will be traveling for one of the two new offices that have been established; the Office of Supply (CCC) or the Office of Marketing Services. Insofar as employees of the Fruit and Vegetable Branch are concerned, travelers will be traveling for the Office of Marketing Services. Please arrange to forward all transportation requests, except those showing billing to the Office of Marketing Services, now in your possession, to the Finance Office through which your payrolls are handled, and if new books are needed, send in your requests for same.

SCHEDULES OF COLLECTIONS

We notice that quite a few offices are indicating Fiscal Year 1944-45 on Schedules of Collections. This identification should be limited to one fiscal year only, for instance, "Fiscal Year 1944" if the collection pertains to that year, or "Fiscal Year 1945" if the collection covers services rendered subsequent to July 1, 1944. It has been rather difficult in some instances to determine whether the collections belonged to Fiscal Year 1944 or Fiscal Year 1945 in instances where the joint fiscal year was shown and, therefore, we suggest that this practice be discontinued.

W. C. Hasbrouck
Administrative Officer

FRESH MARKETING DIVISION

EMBARGO ON RAIL SHIPMENTS BENEFICIAL TO CITRUS INDUSTRY

Acting on instructions from the O.D.T., the American Association of Railroads issued an embargo, effective from January 23 through 29, 1945, prohibiting billing of freight other than essential war freight to points east of Chicago and St. Louis and north of the Ohio and Potomac Rivers.

It appears that the effects of this embargo on the citrus industry were more beneficial than otherwise. Shipments during the effective period were not substantially reduced in any producing area other than Florida. Arrivals of previous heavy shipments at terminal markets in the east and weather conditions in these markets had brought about an accumulation of supplies in excess of demand and consequent decline in prices. The period of the embargo was long enough to afford an opportunity of clearing up excess supplies, enabling the markets to absorb subsequent shipments to better advantage.

DRIED FRUITS

During the latter part of January approximately 20,000 tons more raisins and 530 tons more dried apricots were released from the set-aside under WFO 16 for delivery in civilian trade channels. The total releases of these fruits from the 1944 crops for civilian use now approximate 153,000 tons of raisins, and 7,530 tons of dried apricots.

APPLES

U. S. cold storage holdings of apples as of January 1, 1945 were record at 32,649,000 bushels, whereas December 1 holdings were only third highest on record. The net out-movement of apples from cold storage during December 1944 was only 2,302,000 bushels, or 6.6 per cent of the December 1, 1944 holdings of 34,951,000 bushels. The normal disappearance during December is around 15 per cent of the December 1 holdings.

The heavy holdings of apples in cold storage and the low rate of disappearance in December may be due to a delayed movement into storage this season, heavy holdings of apples to be used for processing, and slow demand for Eastern apples. The slow movement of Eastern apples into consumption has occasioned considerable demand for support purchases.

PEARS

Cold storage holdings of pears as of January 1, 1945 were near record at 1,443,000 bushels as compared with January 1 holdings of 724,000 bushels in 1944 and 1,182,000 bushels for the five-year average, 1940-44. The net out-of-storage movement during December was approximately 40 per cent of the record December 1, 1944 holdings.

Sales of fall and winter pears averaged \$3.86 per box on the New York Auction for the week ending January 19, 1945, and \$3.61 per box and \$3.73 per box respectively for the weeks ending January 12 and January 5, as compared with the current ceiling price of approximately \$5.38 per box. Sales of such pears from the beginning of the season through January 19 averaged \$4.18 per box on the New York Auction, as compared with the average ceiling price to date of about \$5.20 per box.

PROPOSED INDUSTRY ADVISORY COMMITTEE MEETINGS

Plans are being made for meetings of representatives of the Office of Price Administration and War Food Administration with members of Industry Advisory Committees of growers and shippers to discuss ceiling prices for fresh fruits for the 1945 season.

Meetings with Industry Advisory Committees representing growers and shippers of pears, table grapes, juice grapes, fresh prunes, plums, apricots, and sweet cherries probably will be held on the Pacific Coast in mid-March. It is planned that meetings with the fresh peach and fresh apple committees will be held in Washington shortly thereafter.

NOTES:

The U. S. Horticultural Council was created at a meeting of representatives of various segments of the industry held in Chicago January 29 and 30. The organization will consider export-import problems and will serve in an advisory capacity to the Office of the Secretary of Agriculture.

The permanent organization will consist of commodity committees that will represent apples, citrus fruits, stone fruits, pears, table grapes, tree nuts, canned fruits and vegetables, dried fruits, fresh vegetables, and potatoes. Organization will be completed at a meeting which is tentatively scheduled to be held in Sacramento, California, March 29 and 30, at which time it is expected that the organization of the various commodity committees will have been completed and representatives to the over-all Council will have been selected. Provision has been made for the admittance, in the future, of duly organized committees representing horticultural groups other than those designated.

Marvin Walker, Lakeland, Florida, is President of the temporary organization that was formed in Chicago; J. A. Smith, Seattle, Washington, Vice-President; R. C. Gray, Sacramento, California, Secretary; and Henry W. Miller, PawPaw, West Virginia, Treasurer.

C. W. Kitchen, Director of the Office of Marketing Services; F. A. Motz of the Office of Foreign Agricultural Relations, and Monroe McCown of the Fruit Marketing Division were in attendance at this meeting.

D.F. McMillen, Acting Chief.

FRESH PRODUCTS STANDARDIZATION AND INSPECTION DIVISION

CHANGE LEGENDS ON NORTHERN GROWN ONION MODELS AND PICTURE:

U. S. No. 2 grade was added to the U. S. Standards for Northern Grown Onions at the time of the last grade revision. This new grade has no requirement for shape other than the restriction on scallions. In view of this change, the following corrections in our legends are necessary and each inspection office should make them as soon as possible.

Photograph No. 6 - legend should be changed to "1st., 2nd., and 4th. from left are permitted in U. S. Commercial. Third and 5th are U. S. No. 2."

Model No. 12 - legend should be changed to "Borderline, U. S. Commercial and U. S. No. 2"

Models Nos. 13, 14 and 15 - legends should be changed to "U. S. No. 2"

OFFICE NOTES:

Mr. Richard J. Pike has replaced George E. Greenlaw in the New York office. Mr. Greenlaw has resigned.

Mr. R. M. Ferguson has returned from sick leave and has been transferred to the Chicago office.

On the Shipping Point address list the office telephone number of G. Ray Warren has been changed to 8511. His residence telephone has been changed to 4153.

On the Receiving Market address list Mr. Hackleman's residence telephone has been changed to Newtown 9-3402. The new residence telephone of Mr. R. D. Williams of the Atlanta office is 4970-W. The new residence address of Mr. G. R. Blount of the New York office is 748 Fairacres Ave., Westfield, N. J. The telephone number is Westfield 2-3373R.

E. E. Conklin, Chief.

MARKET NEWS DIVISION

TEMPORARY FILED OFFICES

Location	In Charge	Commodity	Opening and Probable Closing Dates
Brawley, Calif. Planters Hotel Bldg.	J. A. Hunter	Lettuce	Dec. 26 - Mar. 10
Grand Rapids, Mich. 412 P. O. Bldg.	* C. B. Miller	Misc. F & V	Oct. 31 - Apr. 15
Idaho Falls, Idaho P. O. Box 166	* E. E. Paulson	Potatoes	Sept. 29 - Apr. 30
Lakeland, Florida Box 191	H. F. Willson	Citrus	Oct. 9 - June 20
Plant City, Fla.	R. M. Peterson	Strawberries	Feb. 2 - May 1
Pompano, Fla. State Farmers Market	D. R. Hall	Misc. Veggies.	Jan. 2 - Mar. 31
Presque Isle, Maine Federal Bldg.	S. W. Russell	Potatoes	Sept. 12 - Apr. 30
Rochester, N.Y. 300 Terminal Bldg.	A. L. Thomas	Misc. F & V	Aug. 28 - May 31
Sanford, Florida State Farmers Market	C. D. Sherman	Celery	Jan. 8 - May 31
Waupaca, Wisconsin Court House	B. I. Burrell	Potatoes	Sept. 5 - Mar. 31
Weslaco, Texas Post Office Bldg.	L. N. Gillespie	Citrus & Veggies.	Oct. 16 - May 31

C. D. Schaefercraft, Chief.

VEGETABLE MARKETING DIVISION

POTATOES

War Food Order 120, controlling shipment of Irish potatoes, by means of shipping permits, was extended January 31, 1945 to include Aroostook County, Maine. The order has been in effect since December 11 in Idaho and the Klamath Basin and has been very successful in securing required supplies for military procurement and dehydrators having contracts with governmental agencies.

George Crisp and George Engels, of our New York office, probably will be the Deputy Order Administrators who will administer the order in Aroostook County. Mr. Mercker and Mr. Schaible are in Presque Isle this week helping to get the permit machinery set up.

VEGETABLE SURPLUS SITUATION

Exceptionally heavy shipments totaling 905 cars for the week ending January 20 with prospects of continued heavy supplies caused a sharp drop in cabbage ^{prices} in the mid-western receiving markets and Texas producing area. Although temporary improvement in Texas f.o.b. prices is possible as the transportation situation eases, the marketing outlook for Florida and Texas cabbage is unfavorable. Production for these two States is estimated at 282,000 tons or 28,600 tons more than harvested and marketed commercially last year. Of the 378,000 tons produced in Florida and Texas last year 114,300 tons remain unharvested because of economic factors and about 10,300 tons were moved under relief purchase and diversion programs, indicating that only 253,400 tons were marketed commercially.

The diversion program to encourage northern kraut packers to use southern cabbage for kraut, similar to that of last year, is now being prepared. Packers are being contacted for advice on the suggested changes to improve the program. It now appears that during the next 8 to 10 weeks there will be a need for such a program as well as maximum surplus purchases, an intensive publicity program to stimulate the consumption, and maximum operations by dehydrators and kraut packers in order to assist in the marketing of winter cabbage.

Texas growers in the Carrizo Springs area have found it difficult to move their topped carrots. Efforts are being made to assist in finding commercial outlets. In all probability it may not be necessary to make any surplus purchases of carrots for the time being.

Virginia kale producers are finding it difficult to dispose of their crop at prices high enough to recover costs. The Texas spinach situation which indicated a surplus a few weeks ago has now cleared up. Cannerys are becoming interested in operating on this spinach and no marketing difficulties are anticipated for the near future.

PRICE CEILINGS

Growers and shippers have requested upward adjustments in the ceiling prices announced by OPA in July for tomatoes and celery and in December for watermelons. The proposed ceilings have been under discussion with these groups and among Government agencies.

Effective February 8 the sweetpotato price ceiling regulation is being amended to; (1) reduce the ceiling price when sold in bulk. The bulk price will be 1/2 cent per pound less than the price in containers; (2) continue for the 1945 crop, ceiling prices at the same level as for the 1944 crop.

WFO 22.9

War Food Order 22.9 providing for the set aside of canned vegetables and canned vegetable juices during 1945 became effective January 30, 1945. The previous set-aside order, WFO 22.6, applied to canned fruits, canned vegetables, canned vegetable juices and canned fruit juices during 1944.

L. S. Fenn, Chief.